

**MINUTES OF THE MAY 6, 2014, MEETING  
OF THE BUDGET & FINANCE COMMITTEE  
OF THE GOVERNING BOARD OF THE  
ILLINOIS HEALTH INFORMATION EXCHANGE AUTHORITY**

The Budget and Finance Committee (“Committee”) of the Board (the “Board”) of the Illinois Health Information Exchange Authority (“Authority”), pursuant to notice duly given, held a meeting at 1:30 p.m. on May 6, 2014, at the James R. Thompson Center 100 W. Randolph, suite 4-750, Chicago, IL 60601, with telephone conference call capability.

<u>Committee Members Present (via phone)</u> Dr. Bruce Wellman * (Chair) Dr. Nancy Newby *	<u>Other Board Members Present</u> Mr. Raul Recarey (Chicago)
<u>Committee Members Absent</u> Dr. Nicholas Panomitros	<u>ILHIE Authority Staff Present (in Chicago)</u> Diego Estrella Kerri McBride Tom Nowak

*Roll Call and Previous Meeting Minutes*

Mr. Tom Nowak, Treasurer to the Board, confirmed the presence of the Members of the Committee members and others present in person and by telephone, and the ability of those participating by phone to hear clearly and participate. There were no objections expressed to the participation of the members by electronic means.

*Approval of Minutes*

The minutes of the November 30, 2013 meeting were approved.

*March 2014 Financial Statements*

Mr. Nowak presented the committee with the financial statements through February 2014. He noted that expenditures were expected to increase due to an increase in contractor presence. After Mr. Nowak’s presentation and explanation, Dr. Bruce Wellman and Dr. Nancy Newby recommended that the Committee recommend that the Board accept the proposal. The recommendation duly passed.

*Fiscal Policy Manual*

Mr. Nowak began by explaining that the proposed Fiscal Policy Manual was based on “best practices” and “state practices” in order to ensure that all of the proper controls were set in place. After his brief explanation, Mr. Nowak opened the floor for discussion and questions.

**Q:** (Dr. Wellman) “When revenue would be recognized in regard to receiving grant funds?”

**A:** (Mr. Nowak) “Revenue will be recognized after proof of terms are given to HFS and approved.

Concerns were expressed regarding the “Review and Distribution” section of the manual. It was determined that the financial statements would be distributed to the Board after the Committee meetings.

**Q:** (Dr. Newby) How often will the financial statements be submitted to the auditing service?

**A:** (Mr. Raul Recarey) It is expected that they will be reviewed on a yearly basis, but possibly quarterly. Once a more definitive time frame is established, the Committee can more clearly regulate the review process.

Questions were raised regarding the liability insurance coverage.

**Q:** What kind of coverage does the ILHIE Authority have?

**A:** (Ms. Kerri McBride) We are currently in the process of preparing an RFP that will cover general liability, cyber liability, and director and officer liability.

At the time of the meeting, the RFP was under review with CMS, and the Board was awaiting action.. After the questions had been addressed, Dr. Wellman and Dr. Newby moved that the Committee recommend that the Fiscal Policy Manual be adopted by the Board. The motion duly passed.

#### *Fiscal Year 2015 Budget Draft*

Dr. Wellman suggested that explanations be provided for all significant changes in expenditures. Following this suggestion, Dr. Wellman and Dr. Newby moved that the Committee recommend that the FY15 budget be adopted by the Board. The motion duly passed.

#### *Public Comment*

There were no comments offered from the general public.

#### *Adjournment*

The meeting was adjourned at 2:00 p.m.

Minutes submitted by Alex Martell